

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

March 28, 1974

1:00 P.M.

Electric Auditorium
301 West Avenue

The meeting was called to order with Mayor Butler presiding.

Roll Call:

Present: Councilmen Binder, Dryden, Friedman, Handcox, Lebermann,
Mayor Butler, Mayor Pro Tem Love

Absent: None

The invocation was delivered by REVEREND THEODORE McELROY, Hyde Park Christian Church.

O.T. MARTIN, JR., DAY

Mayor Butler read and then presented a proclamation to Mr. and Mrs. O. T. Martin, Mr. Joe Davis, Mrs. Evelyn Hereford, Chairman of the Most Worthy Citizen Committee, and Mr. Don Reed proclaiming Thursday, March 28, 1974, as "O.T. Martin, Jr., Day." It was announced that among his achievements, Mr. Martin was selected by the Austin Board of Realtors as Austin's Most Worthy Citizen for 1973. It was further added that Mr. Martin would be honored at a dinner the night of March 28. Mr. Davis thanked the Mayor and Council for honoring Mr. Martin.

VIETNAM VETERANS DAY

Councilman Binder read and then presented a proclamation to Mr. Gene Brashear, University Veterans Organization, and the following disabled American Veterans, proclaiming Friday, March 29, 1974, as "Vietnam Veterans Day":

Mr. James Cluck
Commander Jack Cox

Mr. Valton Allen
Mr. Spence Dyer

Councilman Binder further added that there would be a gathering on March 29, 1974 at 5:00 p.m. at Pease Park. Mr. Brashear thanked the Council for taking an interest in this Day. A representative of the Veterans of Foreign Wars of the Department of Texas expressed his appreciation for this recognition.

AUSTIN'S ACTION FOR FOSTER CHILDREN WEEK

Mayor Pro Tem Love read and then presented a proclamation to Mrs. Marlys Tjossem in conjunction with the Governor's action by proclaiming the week of March 31 to April 6, 1974, as "Austin's Action for Foster Children Week." Mrs. Tjossem thanked the Council for the proclamation and for making the community aware of this program.

BOYS' CLUB WEEK

Mayor Butler read and Councilman Lebermann presented a proclamation to Larry Flores and Bobby Sepulvedo, both of the Boys' Club, proclaiming the week of April 1-6, 1974, as "Boys' Club Week." Also present were Mr. Don Chapman, President, and Mr. Don Kromer, Director. Mayor Butler was presented with a wooden key from the Boys' Club as a token of their appreciation and a life-time membership card to the Boys' Club.

DRAMA DAY

Mayor Butler read and then presented a proclamation to Randi Harrington, Tex Schenckan, Pam Wolfe and Mr. Robert Singleton, sponsor, proclaiming Saturday, April 6, 1974, as "Drama Day." Mr. Singleton thanked the Council and invited them to attend the zone and district contest at Anderson High School on that date.

RECOGNITION

Mayor Butler read and then presented a resolution signed by himself and the other Council members commending Mr. J. A. (Tony) Ojeda, Jr., Director of the Community Development Department, for his long and dedicated service to Austin and wishing him well in his new assignment in Florida. The Mayor added that Mr. Ojeda had acted as former Director of the Model Cities Department and was Acting Director of the Human Relations Department. Mr. Ojeda thanked the Council, indicating it was quite an honor and stated that this was the greatest Council he had had the opportunity to work with. Mr. Dan Davidson, the City Manager, indicated that Mr. Ojeda had the total admiration of the administrative staff and felt that Mr. Ojeda was extremely dedicated.

APPROVAL OF MINUTES

Councilman Lebermann moved that the Council approve the Special Meeting Minutes, 11:00 a.m., and the Regular Meeting Minutes, 1:00 p.m., of March 21, 1974. The motion, seconded by Mayor Pro Tem Love, carried by the following vote:

Ayes: Mayor Butler, Mayor Pro Tem Love, Councilmen Binder, Dryden,
Friedman, Handcox, Lebermann
Noes: None

HEARING ON UTILITY REFUND CONTRACTS

Mayor Butler opened the public hearing scheduled for 1:00 p.m. on utility refund contracts. (It was noted that Councilmen Friedman and Binder had submitted an amendment to the ordinance on refund contracts by adding Article VII, entitled "Cost of Improvements and Dedication to the Public.")

Those appearing supporting the present Refund Contract Policy:

MR. RICHARD BAKER, attorney, representing the Land Planning Council of the Austin Association of Home Builders; individual subdividers and developers; and others in support of the present refund policy of Austin as adopted by the City Fathers in 1940 and modified and amended by 14 subsequent City Councils, stated that they were in favor of this policy as it had been a moving factor in making Austin the great city it is today. They felt that the benefits of the policy were evidenced by the orderly development of the City and its relationship to the preservation of the long-range fiscal integrity of the City. In an attempt to organize a presentation to take the minimum amount of time, he announced that he would be the moderator and would introduce other persons who would make presentations in behalf of this policy. He reviewed the historical development of the policy. He explained that in 1953, the utility refund contract as known today was enacted by the City Council; and under this policy 90% of the cost of installation of water and sewer lines was paid under contract by the City to the developer out of three-fourths of the water revenue from that subdivision plus interest at 3%. This policy continued basically unchanged from 1953 until August, 1973. He further added that effective August 24, 1973, the Council terminated the refund policy outside the City limits; on January 10, 1974, the Council eliminated the refund of the approach main cost to the developer; and in February, 1974, the Council limited the amount on which the refund was based to 75% of water revenues from a subdivision as of the rate in effect on December 31, 1973. He indicated that they felt the policy had been good for the City of Austin and had created an atmosphere where the developer and the various bodies of Austin had worked together in a total cooperative attitude concerning the installation of streets, utilities, curbs, gutters, storm sewers, drainage facilities, and oversized utility lines. They felt that one of the most important functions of the refund contract policy was that Austin did not have a strong satellite system surrounding the City. Mr. Baker brought out that a private water system and a private sanitary sewer system were not only realistic but were feasible and practical; and the two were already in existence; and two more were presently under construction. The systems were in operation, and there had been no difficulty; they had complied with all the requirements of the State Water Board of the Water Rights Commission. He said that if the City annexed areas where there was a private water system, the City would acquire the extra system on the basis of the unpaid balance then owing on the bonds; but it would be acquired on the basis of the then fair market value which they thought had a long-range economic effect on the City of Austin.

He reviewed the water control and improvement district. He referred to maps and slides of Houston, San Antonio, Waco, Dallas, and Austin, displaying the various types of systems. He also reviewed some of the economic benefits to the City in that the developer had at his cost and expense and risk constructed one of the finest water and sewer systems in Texas. He discussed the fact that Austin had been selected as one of the ten best cities in the United States and that the subdivisions and character of the development in Austin had contributed to this fact. He further added that the developer had contributed to this and

that part of this contribution had come through the concern that Austin have a utility system and a development program. He discussed the effect of the refund policy on the homeowner in that it reduced the cost of the home and that he was buying on a utility system that was second to none. He felt that if it had not been for the policy and the City had not been taking front-end costs, the City might not have had a Triple A bond rating at approximately 4.9% to 5%. He discussed the possibility of a developer installing without a refund contract and the City not installing. He stated that the installed utility cost would go to the consumer.

He indicated that it had been stated time and time again that Austin has the most favorable refund contract policy in the State of Texas and that no other city has such a policy. He added that the following cities had some form of a policy or participation: Port Arthur, Houston, Tyler, El Paso, Lubbock, Ft. Worth, and Dallas. He discussed one of the strongest arguments over the years about the refund policy in that the system had accomplished its purpose, and the City no longer needed the system and that it was enacted originally for the purposes of instituting growth in Austin. In reference to this, he quoted a statement made by the League of Women Voters in their presentation in opposition to the present refund policy:

"...Austin's growth has been relatively orderly. Austin has not had the leapfrogging of subdivisions other cities have experienced. It is said that the refund policy with its requirement that each subdivision be in the City limits was responsible for this orderly growth. We must admit there is some validity for this statement..."

He then quoted from a statement made by the Northwest Austin Civic Association:

"...Speaking more or less on the proponent's side and for the Northwest Austin Civic Association, opposition here is to recognize that there are both desirable and undesirable aspects of this refund policy. There were good reasons why it was established, good reasons why it stayed this long. Many of these reasons would have to do with the fact that higher standards by development is possible or have lower costs for the lots, assure developers' performance, keep the developers in Austin..."

He also discussed the argument that the City could no longer justify the payments. He stated that there was not really enough data on hand to argue this position; however, he felt that the growth of the income and the growth of the net worth of the utility system in the City from over the years, at 12% and 10% respectively compounded, would indicate that the refund contract at this point in time would not create a serious problem for Austin. He briefly discussed a 1972 memo from Mr. Don Butler, City Attorney, in which Mr. Butler ruled that the refund policy is a valid agreement and a valid policy of the City. Mr. Baker reviewed the argument of the possibility that Austin is subsidizing the developer. He felt that if this were a subsidy, then it was a subsidy which was accrued to the benefit of each and every citizen over the years. He discussed the argument of the effect of the refund policy on low-cost housing. He gave some specific figures on the value of building permits (not including lot costs) issued between August 1, 1973, and January 31, 1974:

\$ 8,000 - \$17,900 - 17.4% of building permits in this range
\$18,000 - \$20,000 - 11.0% of building permits in this range

He quoted from a paper written in 1973 by a student at the University of Texas, entitled "An Analysis of the Controversy Surrounding Austin's Present Policy of Issuing Refund Contracts for the Installation of Water and Sewage Systems":

"...In view of the previous analysis of argument, it is my recommendation that the City keep its present policy instead of eliminating it. Quality of growth is an important issue in Austin today. The present policy seems to encourage desirable growth in Austin and bring economic benefits to the City. It is also my observation that this issue is a complicated one, and some critics would do well to examine it carefully before they express their ready opposition to policy in fact..."

In conclusion, there were questions from the Council. Among them, Councilman Binder questioned Mr. Baker's receiving payments from any refund contracts. Mr. Baker noted that he was Trustee of the Kirkwood Development Company, but he had not personally received any payment. There was discussion by Councilman Friedman as to Mr. Baker's referral to Mr. Butler's memo of 1972.

Mr. Baker introduced FATHER FRED UNDERWOOD, Executive Director of the Montopolis Community Center, who appeared to testify in favor of the present refund policy. He reviewed the Community Center's developing a low-cost housing subdivision called the Country Club Gardens in Montopolis, which consisted of 230 houses. He felt that if it were not for the refund contract, they would not have been able to subdivide their subdivision. Being a non-profit organization and not being encumbered with money, he stated that the only way they could start the subdivision was to get a commitment from the bank to borrow money on the refund contract itself. He was also in favor of the refund contract because he was able to pass this savings on to the low-income families. (He noted that they had built 5-bedroom, 2-bath houses for under \$17,500 sales price.) In conclusion, Father Underwood stated that he would not have been able to undertake this project had it not been for the refund policy.

Mr. Baker introduced MR. STEVEN A. PHYRR, a professor at the University who has his PhD. in Finance and Real Estate, indicating that Mr. Phyrre was primarily concerned with feasibility studies in connection with the real estate development and the real estate market. He focused on the relationship between the refund amount and the impact of elimination of the refund on the average price of a single-family unit in a subdivision and the number of families that might be displaced due to the rise in the price of a home, acquired by the elimination of this refund. He announced that the data for his study had come from various City planning documents, various financial institutions which finance homes in new subdivisions, Austin developers, and subdivision developers in San Antonio who experienced the elimination of the refund contract in 1962. He stated that their estimates showed that the elimination of the refund to the developer would force the builders to build a more expensive home and consequently raise the price of the average subdivision home by \$2,500 to \$3,300 in that a developer must build a more expensive home to justify to the financial institutions the higher lot cost. He further indicated that their study showed that the families in the lower to moderate income categories in Austin would be effected most adversely by this increase in home prices. He explained this by

saying that approximately 10,000 families in Austin, which is about 13% of the total 80,000 households, who could afford a home before, could not afford a home after the refund ceased and after the increased lot cost would be passed on to the homebuyer. There was some discussion from Council as to Mr. Phyr's figures. In summary, Mr. Phyr stated that if the refund policy were eliminated, Austin might expect the average price of a new subdivision home to increase by 8% to 11% in addition to the increases already being caused by inflation and shortage of building materials. In addition, he stated that when the new home prices increase, existing home prices would tend to keep pace and all home owners would share the increased tax burden created by higher home prices. He indicated that his study went into the inter-relationship between the refund elimination, the effect on developers going to satellite cities, the increased long-run cost to the City when it has to annex within the ETJ (extra-territorial jurisdiction) and beyond, and where new utility systems are set up by developers. In response to Councilman Binder's question, he stated that he had been hired to perform these research objectives.

Mr. Baker introduced MR. WILLIAM D. YOUNGBLOOD, President of Terminix of Austin, Inc., who appeared and wanted it to be noted for the record that he was not a developer, not a homebuilder, not on the list of owners of refund contracts that appeared in the newspaper, and that he had no vested interest in the proposition before the Council at that particular time. However, he noted that the opposition to the present policy might say that he did have a vested interest because there had not been a developer or homebuilder born that could build a roach-proof house. He complimented the Council for holding this public hearing to give every citizen the opportunity to come and express his views. Mr. Youngblood felt that there were some valid points on both sides, and that he had tried to keep an objective and open mind as to what was the proper and best decision and judgement as far as the citizens were concerned; however, he stated that for two reasons he could not bring himself to support the position of the opposition to the present policy who would do away with the refund contract system:

1. Economic reason.
2. He found it increasingly impossible to argue with success.

In reference to his second point, he gave the following reasons for this success:

1. Austin's citizens have the most conscientious City Council they have ever had.
2. They have the best and most intelligent and compassionate City Manager they have ever had.
3. Of 37 Texas cities of 30,000 or more in population, all have a higher monthly water charge than Austin based on 7,000 gallons consumed monthly.
4. Only Houston has a lower sewer charge than Austin based on 7,000 gallons of usage or 8 fixtures.
5. Only 2 cities in Texas, Texas City and Brownsville, have lower monthly garbage collection costs.

6. In reference to the total annual average cost to the homeowner based on City taxes on a \$20,000 homestead and monthly water, sewer and garbage collection charges, the following cities have higher costs than Austin:

Abilene, Beaumont, Corpus Christi, Dallas, El Paso, Ft. Worth, Galveston, Harlingen, Lubbock, Mesquite, Midland, Odessa, Port Arthur, San Angelo, San Antonio, Texarkana, Waco, and Wichita Falls.
7. Austin received a Triple A bond rating in 1969 on utility bonds. No other city in Texas has this Triple A bond rating. Triple A bond rating was also received in June, 1973, for the general obligation bonds. Only one other city in Texas has this rating for general obligation bonds.
8. Although Austin is 56th in the nation from a population standpoint, it is 12th in the nation as far as total dollar value of building permits.
9. Austin's parks and recreational facilities are second to none in the United States.
10. According to Chris Whitcraft in the morning American Statesman, the unemployment rate in Austin for the month of January was 2.4% as compared to a national average of 5-1/2% and going to 6%. He added that Laredo had an unemployment rate of 18%.

Mr. Youngblood stated that the success of Austin had not been brought about simply because of the refund contract; however, he suggested that the refund policy was an integral part, a facet of the overall policies of the City that had it the tenth best place to live in the United States. In conclusion, he repeated a statement of an elderly man several hundred years ago:

"...Mankind is a weaver, who from the wrong side of the carpet works on the carpet of time; but there shall come a time when he shall see the grandeur of his work without having seen anything but a tangle of strings..."

Mr. Baker introduced MR. LLOYD HAYES, a developer from Port Arthur, and added that he was student President of the University of Texas in the years 1956-57 and had been Mayor of Port Arthur for 6 years, ending in 1969. Mr. Hayes felt that the individual citizen was the one who benefited most from the refund contract, not the developer. In Port Arthur, he estimated the savings via the policy to be from \$1,000 to \$1,800. He firmly believed that if Austin did not continue this policy, with the growth it is having, it would have a shortage in housing, which would effect the price of a new home. He further felt that the development would go a lot further out of the City limits. In conclusion, he mentioned the amount of dollars of ad valorem taxes placed on the books and how much revenue had come into the City's budget.

Mr. Baker introduced MR. BILL WALTON, Vice President of Environquip, Inc., a local manufacturing firm actively engaged in fabricating water and sewage treatment plant equipment. Mr. Walton stated that he was a 1949 graduate of the

University with a degree in Civil and Sanitary Engineering; however, he was appearing voluntarily as a citizen of Austin. He noted that since 1949 as either a member of a regulatory agency or in the capacity of a consulting engineer, he had observed the development patterns in every city from Waco south to the border, and from Louisiana to New Mexico. In that period of time, it had been his observation that Austin was the only city that had had an orderly development for three reasons:

1. The character and foresight of the leadership in Austin, both elected and the career employees.
2. The planning and foresight and the policy particularly in relation to the utility system.
3. The refund contract.

Due to his background in public health as a member of the Texas State Department of Health, he felt that the development such as had happened in other areas, both in private water systems and municipal utility districts, had led to many instances of problems in potential public health hazards that had been avoided in Austin. In conclusion, he mentioned that he was appearing because he felt he would be derelict in his duties as a citizen if he did not; however, because of the nature of his business, it would probably accrue to his benefit financially for Austin to eliminate the refund contract.

Mr. Baker took this opportunity to announce that in 1970 Waco had eliminated its refund contracts and wanted to introduce MR. ROGER WILSON, a developer and builder in Waco prior to and subsequent to the elimination of the policy. Mr. Wilson stated that he had been a builder and developer in Waco for about 10 years and had also been a realtor and was concerned about the increased cost of housing. He discussed the fact that he had built outside the City limits since the elimination of the refund policy because of cheaper land costs. He referred to a recent meeting of the Homebuilders' Association. Of 25 homebuilders at the meeting, only three responded to the question as to how many builders were currently building single-family residential property in Waco. He felt that this had a direct effect on business in Waco. In response to Councilman Binder's question as to the refund contract's being the sole reason for the change in these building patterns, Mr. Wilson stated that it was his sole reason for change in that he had to go outside the City limits to find land to stay within his basic land cost to provide the same type of housing and the same cost of housing as before. He also felt that it was the sole reason for the other builders changing their building patterns. He further added that he had not and never had, to the best of his knowledge, purposely passed along any double collection on refund contracts.

Mr. Baker introduced MR. JAMES SMITH, a concrete contractor, who spoke on the difficulty of financing a loan for a home without the refund policy. In conclusion, he invited the Council to come to some of the subdivisions to see what the subcontractor and homebuilder had to put up with.

Mr. Baker introduced MR. ARMANDO DELGADO, employed by a developer in Austin, who indicated that his concern was for the working guy of Austin and was totally for the developer's loss. His main point was the complication of qualifying for a loan without a refund policy.

Mr. Baker introduced DR. J. J. SEABROOK, who reviewed his experience of the difficulty of obtaining a loan and the City's assistance in this and the developers' furnishing equipment he could not obtain. In conclusion, he felt that the Council should back the developers by not eliminating the policy.

Mr. Baker introduced MR. RAYMOND ELLIS, owner of a landscaping service. Mr. Ellis wanted to continue the refund policy because it would mean more development and more work for the operators of the equipment, bricklayers, etc.

Mr. Baker introduced MR. JOSE MERCADO, associated with Edgar James & Associates, Architects and Planners, who wanted to discuss the fact that one of the main reasons for developers' continuing to develop was the refund contract. He further discussed the possibility of eliminating the policy and people outside the City limits building their own cities, their own systems, and incorporating them. He felt that more influential people would move out of the City, the inner City would be left to commercial development, and the tax burden would fall upon those remaining in the City because they could not afford to move out.

In conclusion, Mr. Baker indicated that MR. JOE DAVIS of the Austin Board of Realtors would submit a resolution stating the position of those in favor of the present refund policy; MR. BILL TAYLOR, Mortgage Bankers' Association, would do the same; and MR. ISOM HALE would submit a letter setting forth his concerns and desires in connection with this problem.

Mr. Baker then introduced MISS CONNIE MORENO, who appeared expressing that her main concern was for the low-income families. She felt that if the refund contract policy were eliminated, and if it were to add more to the cost of the land, then it would have to be passed on to the builder; and the builder would eventually have to pass it on to the citizen. In conclusion, she hoped that the Council would continue the utility refund contract policy.

MR. CHUCK SAMPLER, representing eight Savings and Loans Associations, appeared to read a resolution that they passed in a meeting of their Association on March 25, 1974, signed by their Chairman, Mr. Spencer Blain, Jr.:

"Whereas members of the Savings Associations of Austin have through the years become thoroughly familiar with the economic value of the City of Austin's utility refund contract policy; and

Whereas, we know that the policy provides tremendous control over the manner in which the City of Austin will grow; and,

Whereas, we know this to be a fair and economically sound means of financing the City's utility system; and,

Whereas, there is no question in our minds that the utility refund policy helps hold down the cost of new homes;

Now therefore be it resolved that the Savings Association of Austin hereby urges the City Council on this day, March 28, 1974, to reaffirm its policy of issuing utility refund contracts in the newly annexed areas of the City."

(Note: A letter was filed from MR. JAY L. JOHNSON, JR., Jay Johnson Enterprises, Commercial Properties and Leasing, in support of the present refund contract policy.)

Those appearing supporting the proposed Refund Contract Policy:

MR. MACK KIDD, attorney in Austin since 1964, appeared as somewhat of a spokesman and introduced MRS. WILHELMINA DELCO, Austin School Board. She did not believe this was a question of whether or not one was for or against developers or development. She felt that everyone wanted to see Austin grow in an orderly manner. She thought that the question was whether or not the citizens were going to recognize the reality that in order to pay one group of people to develop, we would be asking another group of people to pay higher utility rates to provide for this. She felt that just as the utility rebate plan had a very positive effect on helping Austin grow, Council could be just as creative in helping the citizens find other ways to help Austin grow. She thought that Council could come up with a proposal that would make it attractive for developers to rebuild the inner City. Mrs. Delco added that the Council had a responsibility to look at the total picture and to come up with development for Austin and the consideration of ways to encourage that development that would preserve the integrity of the City as a whole in the best interests of all of those developed and developing.

Mr. Kidd indicated that his purpose in appearing was to discuss the legal aspects of the refund contract. He felt that the key issue was the developers on the one hand saying that Austin was getting a good deal because they put the water and sewer lines in at their cost, and then the City would rebate to them only 90% of the total cost. He stated that he had reviewed the opinion of the City Attorney, Mr. Don Butler; and the one thing that he agreed with was that the refund contract was a purchase of nothing and that under the present ordinances of the City, the developer (once the water and sewer lines are in place and once their subdivision plat is approved) must dedicate all of the water and sewer lines within their subdivision to the City; and this dedication requires no payment by the City. He felt that the Council should consider the refund contract not on the basis that it is a purchase, not on the basis that Austin has got the best utility system in the world, but on the basis of whether Austin is going to continue to politically subsidize developers for property that the City already owns. As a practical matter, he stated that if the cost of putting in the water and sewer line was not borne by the City, eventually the ultimate consumer would bear this expense. He added that the question would come to whether the people who buy lots in that subdivision should bear the cost for the water and sewer lines within that subdivision, or whether or not a tax should be spread over the entire City and the taxpayers within the City. He believed that as a homeowner and taxpayer of Austin there was double payment. He relayed the fact that he had read in the newspaper that Austin's water rates were going to be increased by about 100%. He did not understand that in a City where water was so accessible, why the citizens should be burdened with a political subsidy that causes Austin to constantly have to raise its water rates.

In conclusion, Mr. Kidd stated that he did not feel the elimination of refund contracts would cause Austin to lose its place as the growing and viable community that it is. There was some discussion from Council as to Mr. Kidd's remark in reference to consumer's being charged twice. In response to Councilman Dryden's question as to whether or not Austin's development had been that bad, Mr. Kidd felt that the policy encouraged peripheral growth and deficits in water revenues Austin should not have. He felt that the water revenues in Austin should be reducing the ad valorem taxes rather than increasing them.

MR. FRANK BOOTH, partner in the law firm of Booth and Lloyd in Austin, commended the Council for considering this matter and complimented them on their patience. First, he wanted to direct himself to his concern as a citizen of Austin. He stated that he had lived in Austin 43 years, all his life, and was as concerned about the growth as anyone else. He discussed the statements of various real estate developers in the past as saying that the issue of the policy was whether or not it was good for Austin from an economic standpoint. He found himself having serious reservations about that preface. He felt that if it were economically good, other cities in the state or nation would be adopting the 90% refund policy, rather than refusing to begin it or to be discontinuing it where it exists. He stated that the issue of the policy was becoming political in that profits from the Water and Electric Department were transferred to the City general revenue fund for municipal purposes; and therefore, every dollar of refund to a new subdivision would be in part his subsidy to the real estate developer and purchaser of a lot or a home in that new subdivision. He did not desire to subsidize new real estate development; however, he was concerned about the situation of Father Underwood's description. He felt that the City should address itself to the low-cost housing issue as a subsidy.

Secondly, he wanted to direct his attention to the issue of water districts. He stated that he was an attorney by profession but was not being paid by anyone. He noted that he had served for two years as General Counsel and four years as Executive Director of the Texas Water Rights Commission. He elaborated that this State agency had jurisdiction to create water districts construction projects and approve the amount of bonds to be issued. He further indicated that he had served for three years as Assistant Attorney General in charge of the division which represented and advised all of the State water-related agencies. He stated that under certain conditions, water districts were authorized to provide water, sewer and/or drainage facilities with a capital bond issue with repayment over a 35-year period from revenues and taxes collected from land owners within such districts. In either case, he indicated that it was the recipient of the benefit who would pay for the service. He commented that insofar as the Texas experience was concerned, whether the City had a refund policy or not had little to do with the creation of water districts to provide water, sewer and drainage facilities to a real estate subdivision. In those areas of the State in which water districts proliferated, ground water would be available at low cost, and sewage treatment would be limited either to septic tanks or secondary treatment if a collection system were used. In response to Mayor Butler's earlier question, Mr. Booth stated that the reason Houston was expanding its water and sewer distribution system by such a tremendous amount was that they were under the admonition of the Water Quality Board to convert from a very poor secondary treatment system to a tertiary treatment system. Mayor Butler then reiterated that he had been referring to the rates.

In his opinion, Mr. Booth felt that the City could effectively prevent the creation of water districts within its extraterritorial jurisdictional area if it chose to do so. He felt there were other reasons for leapfrogging and satellite cities than the elimination of the policy; and he felt that the Council was faced with a situation where it needed to develop within its internal staff a sincere study to consider all of the pros and cons that had been advanced for years. In response to Mayor Butler's question about how this study should be approached, Mr. Booth believed that the City had the resources within its own internal staff to make such a study.

PROFESSOR MIKE CONROY, Urban Economist at the University of Texas, stated that he had received his Ph.D. in Economics from the University of Illinois specializing in Urban Economics and Economic Development. He further added that he was currently engaged in a research project subsidized by the National Science Foundation, on the study of a National cross-section of urban growth problems, urban growth alternatives, and urban growth pros. He stated that he found it difficult as a professional economist to suggest and especially to prove that double or triple profits could be obtained by most of the developers through the refund contract process. Having worked his way through college summers, evenings, weekends, and holidays for four years as a construction laborer in Chicago, he felt that he could identify very closely with these people; however, he believed that it was a mistake for representatives and workers of the building trades to believe that if they did not support refund contracts they would lose their jobs or substantially lose some job mobility. He elaborated on figures in support of his comment. He added that the real size of the subsidy to the individual home purchaser depended upon the size of the lot and the rate of interest which the refund contract would carry. He stated that it did not make much difference as to the interest paid on the refund contract but the magnitude of the subsidy which would actually be passed on by the developer at the time he were to sell the home to the new home purchaser. He discussed subsidies in great detail - payment of subsidies and the effect with respect to property values of older homes. He suggested that an expected increase in water rates was likely to be related to refund contracts and the skyrocketing rate at which the City was paying out every year on principal and interest payments on the refund contracts. He reviewed the rate at which City expenditures and refund contracts had been rising over the last 15 years by use of graphs. He further reviewed his statistical projections in that if the rate of increase in the City's granting of refund contracts were to continue at the same rate which had been characteristic of the last 15 years, by 1980 payments would reach \$2.9 million per year on principal and interest; and by 1985, at current rates of expansion, they would reach \$4.4 million per year.

In response to Mayor Butler's and Mayor Pro Tem Love's questions as to the significance of these figures, Dr. Conroy indicated that his point was proportion. In response to Mayor Butler's question as to the costs plateauing, he felt that at the current rate at which the Council had been approving new refund contracts, there was no end in sight. In reply to Mayor Pro Tem Love's question as to whether or not the recent policy change outside the City limits was incorporated into his figures, Dr. Conroy stated that it had no effect as yet on the rate at which the Council had approved contracts. In response to City Manager Davidson's question about whether these figures were based on total number of contracts, total dollars, or percentage to the total operating budget of the revenue of the Water and Wastewater Department, he stated that

they were simple, absolute dollar amounts. There was some discussion among Council members as to their possible projections. Mr. Davidson thought that when Council eliminated refund contracts' approvals outside the corporate limits and changed the breadth of the policy from 415 square miles to an area contiguous to 100 square miles, there would be a significant change in the amount of increase in refund contracts' activity, which was why, he felt, Council had approved this. There was further discussion as to the validity of Dr. Conroy's figures. Mayor Pro Tem Love felt that this projection was based on past history, which Councilman Friedman felt was still legally true. Mr. Davidson felt that at some point because of this change in policy, it was going to taper off. Dr. Conroy welcomed evidence of when it would taper off and at what levels and what relationship this would have on expected City revenues from water rates at current rates and the relationship between that and the expected higher rates that citizens would have to pay.

Dr. Conroy stated that he was very sympathetic with Father Underwood's argument that it was very helpful to him in his small group of homes to have the refund contract as the basis for his initial financing and further added that he would support Council's decision to help low-income citizens by continuing the refund policy for homes only up to \$12,000 or \$15,000 or \$17,000. He was in agreement with the interest the Council had in putting the water and sewage system on a sound business-like paying basis and stated that he was ready to pay increased rates if necessary only if Council would eliminate the wasteful and inequitable program which made those who lived in the older part of the City subsidize the new homes. In reference to Dr. Conroy's suggestion of a refund policy for low-income families, Councilman Dryden felt that it would be very difficult to draw the line and felt that this would be discriminating. There was discussion as to the possibility of leapfrogging development in the absence of refund contracts. In conclusion, Dr. Conroy felt that with the changed conditions of gasoline prices, automobile prices, and energy conditions as they were, it would be less likely that Austin would have this type of development.

In reference to the statement earlier of Mr. Wilson, the developer from Waco, Councilman Binder wanted to note at this time that a member of his staff had contacted the City Planner of Waco, Mr. Bob Anz, to question him about Waco's not having a refund policy. Mr. Anz stated that he understood that they had changed their refund policy because the City felt it was losing money on the deal. He stated that they had changed their policy because they annexed 4,000 acres of potential growth area to protect their lake and control the pattern of development.

MR. PHIL REESE, member of Save Austin's Valuable Environment, filed petitions signed by citizens of Austin and some resolutions passed by various groups. His presentation consisted of the reading of SAVE's resolution:

"SAVE supports the amendment under consideration, which would repeal the utility rebate section of the subdivision code. The reasons for its original passage are no longer valid. The rebates do not encourage or effect low-cost housing. They do not encourage health growth patterns. They are economically beneficial only for a select few Austinites, namely, the bankers and realtors. In fact, for the average Austinite, for the great majority of use, the rebate policy, that discriminatory subsidy, is an unnecessary

and illegitimate burden, economically and esthetically. Further more, we feel the policy is constitutionally devious at best. The rebate is essentially a subsidy of private enterprise by the City government. We from SAVE wish to stand on record as opposing the rebate policy and in support of the proposed amendment before you today. Should the Council not pass the legislation in question; moreover, we in SAVE and many other groups and concerned citizens around Austin think it proper to force the issue to a vote, via public referendum. Hopefully, that action will not be necessary. We do feel the people would overwhelmingly repeal the amendment if it were put to a vote."

MS. MARGARET LOUISE HILL, member of the Austin Woman's Federation, appeared to state that since its beginning, she had been opposed to the rebate system. She indicated that research showed that 50% of the rebate monies went to only a few people and corporations and that of these, several were members of the Austin Homebuilders Association. She discussed a person's paying a higher water rate after the 15-year period. She added that the tax paying population of Austin was mainly composed of retired people, long-time residents, and senior citizens living in their older-than-15-year homes. In conclusion, she strongly opposed oligarchy, rule by a few, and hoped Council would abolish refund-rebate contracts as a step toward making Austin approach a democracy of all the people, by all the people, and for all the people.

MR. FRANK CASEBIER, Treasurer of the Texas Consumer Association, wanted to announce that the Association supported the ordinance before the Council. He added that their reasons for this position would be more apparent in a press announcement to be released probably on March 29, 1974.

MR. JOHN YEAMAN, representing the Sierra Club, stated that the Club's Executive Committee found one major value in the refund contracts in that they had functioned to control development such as reducing leapfrog development and added that the Committee was vitally interested in the Council's exercising increased control over development. He made the following recommendations for the Council if the refund contracts should be continued:

1. Increase control over developments of land use.
2. Eliminate the interest payments.
3. Reduce the amount of the refund contracts at a rate that would continue to strengthen control over development until more effective methods for such control would be found.
4. Speak simply to the possibility of taking over independent water districts or water control and improvements districts.
5. Study intensively and independently the refund contract as one method of control of land use and the planning of developments, alternate methods to control land use, dedication of land for park space and school space, ecologically sound wastewater treatment systems and methods to require their use, and the ETJ. He added that further study must be made by an independent and broadly representative group which would include environmentalists and consumers.

In reference to the independent study of the land control and development control issue, he felt that once the data and facts were clear, then hopefully some conclusions and recommendations could be made to Council which would guide it in terms of some kind of a policy that would be valid over a long term. In response to Mayor Butler's question as to what the Sierra Club envisioned as a vehicle for this study, Mr. Yeaman indicated that a majority of them felt that something of a citizens' group representing home builders, environmentalists, consumers, and other interested groups could look at the evidence and perhaps hear experts on this and agree on a plan that the whole City could find valid.

MR. DAN MILLNE, representing the Austin Tomorrow Program, wanted to report some preliminary results on the Program. He stated that in November, 1973, they had come up with the following goals for Austin that they thought would improve the system:

1. Economics.
2. Population.
3. Environment.

They said that a goal for the City should be to eliminate the refund contracts. He further discussed the pecuniary interests of the developers in refund contracts and stated that he personally had a pecuniary interest because it was his tax money that was paying these refund contracts and wanted it stopped.

MR. CRAIG MUSIC, University City Lobby Committee, appeared in regard to three alternatives as to the total opinion:

1. Refund contracts.
2. The possibility that the City could get into the business of providing these utilities.
3. There could be no participation at all.

He questioned the alternative of within the City and within the extraterritorial jurisdiction of the City and what would prevent the City from the alternative of having the developer pay for the utility and pass it on to the home buyer. In response to this, Councilman Handcox felt that it would price many people out of the homes of their choices because of their income and the increased cost that would be passed on to the consumer.

MR. DAN BOYD, representing the Student Action Committee, indicated that they had voted unanimously in favor of the Binder-Friedman proposal. Personally, he felt that to the extent that the rebate system was a growth-spurring system, he thought this was growth that Austin did not really need. He added that this was the basis for their position. In response to this, Mayor Butler stated that this was not a pro-growth issue to him. He added that it did have an effect on where the growth takes place, whether they develop land inside the City limits or immediately next to it, expecting to be annexed.

MS. MILLIE DiDONATO, Chairman of Travis County Women's Committee, announced that her Committee had given this careful study and had come to the conclusion several years ago that the refund contract policy should be abolished and had not changed their position since that time. She urged the Council, as City fathers, to consider if all Austin's municipal family would be fairly treated by a policy which would force some members to bear the financial obligations of other members. She felt this was a case of welfare for the rich and had ceased to serve any useful purpose. In conclusion, she stated that they supported the proposed ordinance and urged its adoption.

MR. JOE TEAL, President of the North Austin Civic Association, confirmed the action taken on February 13, in which they passed a resolution opposing the refund contracts for many different reasons. Among these reasons:

1. The policy lent itself to abuse by some contractors who might take advantage of poor or loose accounting procedures and variances in sudden retail sales prices and charge both residential buyer and the City for the cost of these utilities.
2. The policy resulted in a growth incentive to the City by providing Austin developers with a greater flexibility in selecting development sites.
3. The policy provided the City Planning Department with less control than it would otherwise have over the direction and continuity of City growth.
4. The quality of engineering construction of the utility systems might suffer, and overall this would distract substantially from the long-range plan.

He felt that if a refund were going to be given to individuals in Austin for utilities installed to give some rate of control, perhaps the refund should be by reduction to the utility bill of the homeowner and area. He recommended to Council that they terminate the issuance of refund contracts to Austin developers and other individuals and institutions installing sewer and water lines in residential subdivisions within a period of about one year. He wanted to see the City Manager provided with full authority and responsibility for planning and control of utility construction to permit reasonable control of the direction and degree of City growth in areas. He further requested that the City develop its own capability to do minor construction and possibly adopt a suitable method for the City to control the prices of the construction with respect to bidding.

He presented Council with historical data by use of graphs projecting the growth rate and the interest paid on utility refund contracts. He then reviewed a summary of the budget utility on total expenditures for water and wastewater. At this point Mayor Butler questioned Mr. Teal as to how many were present at the meeting when the resolution was adopted because quite a few of the Associations' members had indicated to him that they were not in agreement with the resolution. Mr. Teal stated that this was an action of the Executive Committee and was publicly released as an action of that Committee. In response to Mayor Butler's question, Mr. Teal added that there were 11 members on the Committee.

Mr. Teal felt that development of low-cost housing should be encouraged. He suggested a policy addressed to this issue - not part of a refund policy. He added that if the City desired to make a direct statement in that direction, they would probably go along with it; but as a broad, general policy of the City that was not directed to a specific problem, they opposed the present refund contracts. He further discussed the effect of refund contracts on some of the services received from the City. In conclusion, there was discussion by Mayor Butler and Mr. Teal as to the afore-mentioned one-year period.

MR. STANLEY CAVETT appeared stating that he was not really in line with either of the two groups. He only wanted to ask how the City had been able to live so long without an electrical utility rebate contract. In response to this, Mayor Butler stated that the City pays for those lines; they install them at their own expense and there is nothing to pay and nothing to buy.

MR. DALE NAPIER, Vice Chairperson of the University City Lobby, wanted to explain their reasons for opposing the present refund policy. He mentioned their belief that an amazing amount of money was being thrown into the banker-developer subsidy program. He felt that the high standards and uniformity in installations could be done by law without rebates and further stated that even though the contract was supposed to encourage low-cost housing, virtually no low-cost housing was being built. He felt that Austin was not getting anything for its money and that money which Austin exchanged for nothing could be used for various purposes:

1. Used to help offset water rates increases.
2. Used to offset future tax increases.
3. Used for additional City services such as mass transit or community health services.

In conclusion, he indicated that the past week the University Young Republicans had endorsed unanimously the repeal of the rebate system because they felt that rebates were inconsistent with Republican philosophy, the separation of government, and business. He thanked the Council and hoped they would keep in mind the points mentioned and vote accordingly to eliminate utility rebates.

MRS. HELENA HARDCASTLE, public accountant and real estate broker, indicated she was appearing for herself. In reference to remarks made by those in favor of the present policy who felt there was a slump in real estate development due to the proposed reduction in rebates, she added that the nation was in a general recession. She stated that she was 100% in favor of most of the things the Sierra Club was working for in the way of environment and control; however, she felt that whether or not Austin had refunds would not seriously effect the control that the City fathers had over the development of the City. In the 20 years the refund system had been in operation, she questioned the adequate controlled development. She felt that those in support of the present policy and those recommending study were presently largely slanted information. She indicated her sensitivity to the low-income people and thought that they should be given every possible added advantage and that low-income housing should be encouraged and perhaps given City support. However, she felt that it was very poor accounting to give that support out of refund and should be labeled "support" or "subsidy". She did not see any

legitimate basis, legally, businesswise, or economically, to continue this policy. In reference to placing this before an investigative committee or commission, she thought the Council would be merely postponing the issue and taking additional funds not warranted. In reference to Councilman Dryden's question earlier in the meeting as to where the line could be drawn on a low-income policy, she felt it could be done.

There was discussion by City Attorney Don Butler and Mrs. Hardcastle as to the legality of this refund policy. He stated that this was not illegal and that the City required that the installed facilities be dedicated to the public, and this was not a legal question but strictly a question of policy - that being how much should be contributed from the City as a whole in return for the installation of these particular facilities. Councilman Friedman indicated this policy might have been an error in judgement, but it was a valid and legal policy. In conclusion, she stressed her belief that a specific policy be set up for the low-income group and labeled as such.

MRS. JACKIE BLOCK, as a homeowner, stated her belief that this refund policy was a subsidy because the citizens were paying for something they should not have to pay for. As a resident of an older, established neighborhood, she felt that she was subsidizing high cost subdivisions in Northwest Austin by being indirectly taxed via her water bills, and did not believe the policy was fair.

MS. EDITH BUSS appeared urging the Council to look very closely into the whole matter of how best to encourage low-income housing. She indicated there had been a great deal of concern expressed over the entire refund policy and felt that it was a very serious issue that needed serious consideration.

DR. PHILIP WHITE, representing the West Austin Democrats, appeared to make an announcement that his organization had passed a resolution in opposition to retention of the rebate system. He felt that if Council voted to preserve the system, it would be voting to take \$2 to \$3 million yearly out of the pockets of Austin's citizens, especially of those living in the older sections of the City. He added that this would be paying a subsidy of which the beneficiaries would primarily be the purchasers of relatively high-cost housing, very wealthy developers, and the banks.

DR. PAULINE FERTSCH, President of the League of Women Voters of Austin, appeared to announce that during 1969 and 1970 the League had made a comprehensive study of the issue of subsidies in water-sewer refund contracts. The study had included a history of Austin's policy, a review of practices in more than 200 Texas cities plus six other comparison cities about the same size as Austin, and interviews with certain City officials and certain subdivision developers. She stated that the League had first presented its findings and recommendations to Council at a public hearing on November 23, 1971. She wanted to reaffirm their conclusion that the original purpose of the refund policy had outlived its usefulness. She felt that the increasing sums of money being spent by the City under the policy might better be used to solve other pressing municipal problems. Among the significant disclosures of the League's investigation, she indicated the fact that no city studied, except Austin, paid interest on the unpaid balance. She urged the Council to give thoughtful consideration to changes in the refund contract policy. In conclusion, they recommended that the interest payment be eliminated and that the percentage of refunds be substantially reduced if not eliminated.

Dr. Irwin Spear, Austin resident for about 21 years, stated he was there as a private citizen, was not being paid by anyone, and had no financial interest in the refund contract except insofar as it effected his utility bill and his tax rate. In looking at property inside and outside the City limits, he did not see any relationship whatsoever in the cost of lots in areas where there was a refund contract controlled by the City and areas where there was not a refund contract. In regard to statements made that refund contracts contributed to the controlled growth in Austin, he noticed on his way to Lake Travis that there were many developments outside the control of Austin and that there was leapfrog development apparently not under control. He favored a policy which would control the orderly development of areas outside the City and zoning of rural land as well as City land. He also favored some kind of retention of a policy that would encourage the building of low-cost housing. He felt that one possible way of doing this would be to provide a rebate for only those non-profit organizations that were developing land, similar to Father Underwood's project, as opposed to a dollar amount distinction. He thought the City could go even further and provide them with 100% of the utility and street costs. In reference to the provision where only the current rate of payment could be made even though the rates were to go up, he felt that this provision would do nothing but extend the life of the contract and would cost more by delaying this payment over a longer period of time.

In conclusion, he wanted to warn the Council about paying very much attention to the report quoted by an anonymous student who did a term paper on the rebate in orderly development. As a teacher, he assured the Council that students could draw erroneous conclusions from their data.

(Note: The following were filed in opposition of the present refund policy and/or in support of the proposed amendment to the policy:)

Resolution from Concerned Citizens for the Development of
West Austin, signed by MR. WILSON WADE, President

Resolution from Student Action Committee

Resolution from Student Senate of the University of Texas
(City Council Lobby Committee, Environmental Protection
Committee)

Resolution from Travis County Young Democrats

Two petitions

Letter from Austin Friends of the Earth, signed by MR. JAMES
HUGHES, President

Letter from Travis Audubon Society, signed by MR. RICHARD W. TIMS,
President

Letter from South Austin Democrats

MR. JACK EDDINS, resident in Northwest Hills, wanted to note that the developers and builders in Austin were not getting rich off of handouts, and they worked hard to make Austin a better place; he thought something should be said for them, instead of against them.

Conclusion

After discussion, the Council agreed that this had been a profitable hearing as far as presentation of ideas; and Mayor Butler noted that everyone had agreed that some policy be instated to encourage low-cost housing.

At this point Mr. Richard Baker agreed with the Council and felt that there were facts to be considered on both sides. He added that the basic premise, that those who favored the present policy started with the fact that the policy had contributed to the City and that the policy would contribute to the integrity of the long-range financial condition of the City of Austin, had merit. He realized the complexity of the problems and thought that the suggested study committee be a knowledgeable one that would have available to it people resources who could obtain data from other areas. On behalf of his clients, those in favor of the present policy, he concurred that because of the complexities of the situation, he would like to see a study made. In conclusion, he requested that the type of study as suggested by Mr. Booth be conducted with the staff then making a recommendation to the administration. They offered to the administration whatever facilities and knowledge their group could offer to assist in this matter.

Motion

Because he felt the study was long overdue and during the study the City would still be in the process of keeping in existence a procedure he had severe reservations about, Councilman Friedman moved that the Council close the public hearing and adopt the proposed amendment to Chapter 41 of the Austin City Code (Utility Refund Contract Policy). Councilman Binder seconded the motion.

Substitute Motion

Councilman Lebermann made a substitute motion to close the public hearing and approve the following:

1. At the earliest possible moment Council appoint a study review committee of the refund contract policy of the City of Austin consisting of 11 members.
2. That committee take advantage of the expertise that would be available to them in academic and private sector in the community.
3. An executive member of management staff be assigned exclusively and particularly to this committee.
4. Funding be available to engage any additional outside experts.
5. A review of the impact of the elimination or alteration of refund contracts or their equivalencies in other cities in Texas be thoroughly investigated so that they would not be speculating about leapfrogging and urban sprawl but would have some concrete data to base their judgement on.

6. A determination or recommendation come from this committee within 90 days, which would advise Council whether the policy should be eliminated, retained, or substantially altered in taking other form.
7. The committee also be directed to specifically dedicate itself to the study of the promotion of low-cost housing through some supportive policy of participation by the City.

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Friedman, Handcox, Lebermann,
Mayor Butler, Mayor Pro Tem Love

Noes: None

Councilman Friedman prefaced his affirmative vote by noting that he felt the first motion was valid and would have preferred to have voted on it; however, he added that the study would come up with the same answers that they had been coming to at this point and then voted for the study.

At this point, 7:00 p.m., the Council recessed.

Mayor Butler called the meeting to order at 7:15 p.m. noting that Councilman Friedman was absent.

HEARING ON TELEPHONE RATE ORDINANCE

Mayor Butler opened the public hearing scheduled for 1:00 p.m. to consider an amendment to the Telephone Rate Ordinance (mobile phone rates and other minor miscellaneous rate adjustments). Mr. Bill Holman, Division Manager of Southwestern Bell, appeared before Council in reference to the Company's request to change its mobile telephone rates as follows:

	<u>Old Rate</u>	<u>New Rate</u>	<u>Change</u>
Telephone Co. provided equipment	\$60.00	\$65.00	Increase
Network access charge	None	\$ 6.00	New
Customer provided equipment	--	--	--
Network access charge	\$35.00	\$ 6.00	Decrease
Channel Usage per minute	None	\$.15	New

It had been noted in a letter submitted by Mr. Holman that it was anticipated that the new rates would produce greater net revenue than that produced by the old rates. Mayor Butler discussed the fact that the Company had not increased its antenna height on the transmitter and felt that they could improve their service to customers. Mr. Holman noted that even though they met the FCC requirements on this matter, he had again recommended to his Company that the antenna be raised; and he stated that he wanted his engineering people to meet with members of the Council.

Mr. Don Butler recommended that the increase be granted on strictly an interim basis, and that there be a further public hearing within 120 days, during

which time the telephone company could present data on their investment in these facilities, how much income they receive from them, and the determination of what the monthly return would be, and some competitive steps might be taken towards correcting the antenna problem. Also in the ordinance it would be only proper to make the interim increase subject to a refund if the Council should later determine that the increase is too much. Councilman Binder noted he had some trouble with his mobile phone not transmitting. Councilman Dryden suggested that there be the \$11 increase total but no charge for the timing on the calls. He felt that the phone company would lose customers by charging for the time on the calls.

Mr. Holman pointed out that the \$6.00 access charge was for customers who wanted to supply their own mobile units and maintain them. The 15 cent per minute charge was to encourage users to limit their phone calls to only what is necessary.

Motion

Mayor Pro Tem Love moved that the Council close the public hearing, waive the second and third readings and pass the amendment to the existing ordinance to include the addition of \$11 subject to the review of City staff and Southwestern Bell staff, and at the end of 120 days, take another look.

Substitute Motion

Councilman Lebermann moved that the Council close the public hearing, waive second and third readings and pass an amendment to the existing ordinance as recommended by the City Attorney, the \$11 increase and the 15 cent a minute timing charge, on an interim basis. The motion was seconded by Councilman Handcox. Councilman Binder thought this was too much. Roll call showed the following vote:

Ayes: Councilmen Handcox, Lebermann
Noes: Mayor Butler, Mayor Pro Tem Love, Councilmen Binder, Dryden
Absent: Councilman Friedman

The Mayor announced that the motion had failed.

Vote on Original Motion

The Council then voted on Mayor Pro Tem Love's original motion, which was seconded by Councilman Dryden. Roll call showed the following vote:

Ayes: Mayor Butler, Mayor Pro Tem Love, Councilman Dryden
Noes: Councilmen Handcox, Lebermann, Binder
Absent: Councilman Friedman

The Mayor announced that the motion had failed to carry.

Final Motion

Mr. Holman recommended that the phone company would be agreeable to just the \$6 charge and the 15 cent a minute charge. Mayor Pro Tem Love moved that the Council close the public hearing and pass as an amendment to the existing ordinance on an interim study basis the 15 cent per minute charge. There was a second by Councilman Dryden. Mr. Holman suggested the telephone company would need the \$6 access charge for those who own their own units. Mayor Pro Tem Love amended the motion to include this and Councilman Dryden agreed. Roll call showed the following vote:

Ayes: Councilman Lebermann, Mayor Butler, Mayor Pro Tem Love,
Councilmen Dryden, Handcox
Noes: Councilman Binder
Absent: Councilman Friedman

Mayor Butler introduced the following ordinance:

AN ORDINANCE AMENDING ORDINANCE NO. 730524-E, PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN ON MAY 24, 1973, PRESCRIBING RATES AND CHARGES FOR LOCAL EXCHANGE TELEPHONE SERVICE FURNISHED BY SOUTHWESTERN BELL TELEPHONE COMPANY IN THE CITY OF AUSTIN, TEXAS.

Mayor Pro Tem Love moved the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilman Lebermann, Mayor Butler, Mayor Pro Tem Love,
Councilmen Dryden, Handcox
Noes: Councilman Binder
Absent: Councilman Friedman

The Mayor announced that the ordinance had been finally passed.

RELEASE OF EASEMENTS

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing release of the following easement: The motion, seconded by

The portion of a blanket electric easement which covers the 5.56 acre tract of land out of the SANTIAGO DEL VALLE GRANT on Texas State Highway No. 71 at Popham Drive. (requested by Metcalfe Engineering Company, Inc., as agent for owners, Josephine O. Glass, et al)

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Mayor Pro Tem Love, Councilmen Binder, Dryden, Handcox, Lebermann,
Mayor Butler
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing release of the following easements:

Public utilities easements five (5.00) feet in width along both sides of the common lot line between Lots 5 and 6 of the BEN WHITE COMMERCIAL SUBDIVISION. (requested by Mr. Odas Jung, owner)

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Mayor Pro Tem Love, Councilmen Binder, Dryden, Handcox, Lebermann,
Mayor Butler
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing release of the following easements:

Public utilities easements five (5.00) feet in width in Lot A of FAIRVIEW VILLAGE. (requested by B. F. Priest, Registered Public Surveyor, as agent for the owner of Fairview Village, a partnership of Fairview Village, C. B. Carpenter, Managing Partner, and Anderson Square Properties, Wm. M. Day, Jr., General Partner)

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Mayor Pro Tem Love, Councilmen Binder, Dryden, Handcox, Lebermann,
Mayor Butler
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing release of the following easement:

The portion of a blanket electric easement which covers a 157.80 acre tract of land out of the JOHN BURLESON SURVEY. (requested by owner, Cutsinger Development Corporation)

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Mayor Pro Tem Love, Councilmen Binder, Dryden, Handcox, Lebermann,
Mayor Butler
Noes: None
Absent: Councilman Friedman

CONTRACTS AWARDED

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

LESLIE E. VASTERLING 2801 Montopolis Drive Austin, Texas	- Channel Improvements in Buttermilk Creek between I. H. 35 and Chevy Chase Drive - \$5,900.00.
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The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

WORTHINGTON CORPORATION Worthington Sales Division 900 Town and Country Lane Houston, Texas	- One (1) each 7,000 GPM Pumping Unit - \$23,549.00
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The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

ICI AMERICA, INC. Atlas Chemicals Division New Murphy Road Wilmington, Delaware	- Powdered Activated Carbon-Three (3) Months Supply Agreement with an option to extend for an additional three (3) months - 180 tons @ \$237.60/ton - \$42,768.00.
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The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

SOUTHWAY ELECTRIC	- Lightning Arresters
UTILITY SERVICE, INC.	Item 1, 3 each @ \$850.00
3201 Longhorn Boulevard	Item 2, 6 each @ \$395.00
Austin, Texas	Item 3, 3 each @ \$1,825.00
	Item 4, 12 each @ \$821.00
	Total - \$20,247.00.

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

UNION CARBIDE, LINDE DIV.	- Part A - Bulk Oxygen, 36 month
Old Tidal Road	Supply Agreement - \$45,300.00.
Deer Park, Texas	

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

THE TROPICAL PAINT CO.	- Traffic Pavement Marking Paint -
Ranch Road 620	\$34,710.00.
Austin, Texas	

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

ELGIN-BUTLER BRICK COMPANY	- 3 Hole Bricks - Twelve (12) Months
4000 East Avenue	Supply Agreement - 156,000 each @
Austin, Texas	\$55.00/M - Total - \$8,580.00.

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

FLOW CONTROL DIVISION	- Valves, By Pass, for High Pressure
Rockwell International	Heater for Electric Utility Depart-
P. O. Box 2126	ment - \$50,925.00 subject to
3021 Mangum Road	possible escalation.
Houston, Texas	

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

WESTINGHOUSE ELECTRIC	- Pump and Motor, for Boiler Feed
CORPORATION	Pump Turbine Decker Creek Unit
201 North St. Mary's Street	No. 1 - \$8,180.00.
San Antonio, Texas	

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

DICTAPHONE CORPORATION	- 30-Channel Logging Recording
4501 Guadalupe Street	System for Police Department -
Austin, Texas	\$16,866.74.

In reference to Councilman Binder's question as to whether or not the recording equipment was required to have a "beep" tone to advise the caller he was being recorded, City Attorney Don Butler stated that if this were a requirement, the City would comply with this rule. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contracts:

Bid award:	- Office Furniture and Fixtures, Police Department
GENERAL OFFICE EQUIPMENT 837 West 12th Street Austin, Texas	- Items 1, 2, 8, 11, 16 and 18 - \$12,819.51.
ABEL STATIONERS 416 Congress Austin, Texas	- Items 4, 5, 6, 7, 9, 10, 13, 14, 15, and 17 - \$6,143.41.
REMINGTON RAND OFFICE SYSTEMS 1003 West 6th Street Austin, Texas	- Items 19, 20 and 21 - \$2,132.62.

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

O. M. SCOTT COMPANY 100 Park Street Marysville, Ohio	- Fertilizer, Parks and Recreation Department Items 1 and 2 - \$9,553.30.
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The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contracts:

Bid Award:	- Tractors and Mowers Vehicle and Equipment Service Department
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LANFORD EQUIPMENT COMPANY	-	Item Nos.: 2; 7 ea. @ \$1,032.00/ea.
830 Airport Boulevard		4; 3 ea. @ \$ 668.00/ea.
Austin, Texas		10; 1 ea. @ \$15,348.29/ea.
		Total - \$24,576.29.
TOM FAIREY COMPANY	-	Item Nos.: 6; 2 ea. @ \$4,480.18/ea.
5005 East 7th Street		7; 1 ea. @ \$4,158.28/ea.
Austin, Texas		8; 1 ea. @ \$4,158.28/ea.
		9; 2 ea. @ \$4,463.50/ea.
		Total - \$26,203.92.
A. C. COLLINS FORD TRACTOR	-	Item No. 3; 2 ea. @ \$11,113.78/ea.
6600 East Ben White		Total - \$22,227.56.
Austin, Texas		

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the following contract:

CHEMICAL & TURF SPECIALTY	-	83 each 20" Rotary Push Type Mowers
COMPANY		\$84.90 ea. - \$7,046.70.
10211 Plano Road		
Dallas, Texas		

The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Binder, Dryden, Handcox, Lebermann, Mayor Butler,
Mayor Pro Tem Love
Noes: None
Absent: Councilman Friedman

COST DIFFERENCE PAYMENT

Councilman Dryden moved that the Council adopt a resolution authorizing payment to VERNON B. KROEGER, President of Clear Creek Properties, Inc., the cost difference of 12"/8" water mains and 15"/8" wastewater mains in Onion Creek Forest, Section 1 - \$17,475.26. The motion, seconded by Mayor Pro Tem Love, carried by the following vote:

Ayes: Councilmen Dryden, Handcox, Lebermann, Mayor Butler, Mayor Pro
Tem Love, Councilman Binder
Noes: None
Absent: Councilman Friedman

LEGAL DISPOSITION

Councilman Binder moved that the Council authorize the recommendations from the Building Standards Commission that the Legal Department take proper legal disposition of the following substandard structures which have not been repaired or demolished within the required time:

1127 (E) Lott Avenue - Santos R. Mary O. Guajardo
6912 Meador Street - Miller Johnson

The motion, seconded by Councilman Handcox, carried by the following vote:

Ayes: Councilmen Handcox, Lebermann, Mayor Butler, Mayor Pro Tem Love,
Councilmen Binder, Dryden
Noes: None
Absent: Councilman Friedman

ENGINEERING TESTING SERVICES

Councilman Lebermann moved that the Council authorize SNOWDEN & MEYER, INC., for investigation and engineering testing services in connection with Capital Improvement Projects in the following parks:

Brentwood Park, Bartholomew Park, Pan American Park, Martin Jr. High Playground, Montopolis Center, and Zaragosa Park.

The motion, seconded by Councilman Binder, carried by the following vote:

Ayes: Councilmen Handcox, Lebermann, Mayor Butler, Mayor Pro Tem Love,
Councilmen Binder, Dryden
Noes: None
Absent: Councilman Friedman

GRANT FOR COMMUNITY WORKSHOP-MARKET

Mayor Pro Tem Love moved that the Council adopt a resolution authorizing the acceptance of a grant from the Governor's Committee on Aging for the Community Workshop-Market for an additional six (6) months - \$7,925.00. (\$4,755.00 Committee on Aging; \$3,170.00 City of Austin in-kind services.) The motion, seconded by Councilman Binder, carried by the following vote:

Ayes: Councilman Lebermann, Mayor Butler, Mayor Pro Tem Love,
Councilmen Binder, Dryden, Handcox
Noes: None
Absent: Councilman Friedman

HEARING SET ON URBAN TRANSPORTATION GRANT

Councilman Binder moved that the Council adopt a resolution revoking the resolution establishing a Public Hearing at 1:30 p.m., Thursday, April 18, 1974, for application of a Capital Improvements Grant to the U. S. Department of Transportation, Urban Mass Transportation Administration; and reinstating 1:30 p.m., Thursday, April 25, 1974, as the date for a Public Hearing on making an application of a Capital Improvements Grant to the U. S. Department of Transportation, Urban Mass Transportation Administration. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Mayor Butler, Mayor Pro Tem Love, Councilmen Binder, Dryden,
Handcox, Lebermann

Noes: None

Absent: Councilman Friedman

APPLICATION FOR COMMUNITY ACTION PROGRAMS

Councilman Binder moved that the Council adopt a resolution authorizing application for \$436,800 additional federal funds from the Office of Economic Opportunity for the continuation of the Community Action programs from May, 1974, through April 30, 1975. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Mayor Butler, Mayor Pro Tem Love, Councilmen Binder, Dryden,
Handcox, Lebermann

Noes: None

Absent: Councilman Friedman

AGREEMENT FOR OPERATION OF THE
COMMUNITY ACTION HEALTH SERVICES PROGRAM

Councilman Binder moved that the Council adopt a resolution authorizing an interdepartmental agreement between Community Development Office and Austin/Travis County Health Department for the operation of the Community Action Health Services Program. Contract period March 1, 1974, through April 30, 1974, and 100% funded by OEO Grant of \$8,327.00. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Mayor Butler, Mayor Pro Tem Love, Councilmen Binder, Dryden,
Handcox, Lebermann

Noes: None

Absent: Councilman Friedman

AGREEMENT FOR CONTINUATION OF THE VISTA PROGRAM

Councilman Binder moved that the Council adopt a resolution authorizing the Community Development Office to submit a proposal and to enter into an agreement with the ACTION Agency for twenty Vista Volunteers for the continuation of the Vista Program operating out of the ten Neighborhood Centers. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Mayor Butler, Mayor Pro Tem Love, Councilmen Binder, Dryden,
Handcox, Lebermann
Noes: None
Absent: Councilman Friedman

TOUR BOAT - TOWN LAKE

Mr. Christie Sarris appeared before the Council requesting permission to operate the tour boat on Town Lake for a period of two years. He said the boat would be docked at Christie's restaurant and on the tours would stop at various places up and down the Lake; food would not be served on the boat. Inquiry was made if granting this request would be setting a precedent, and also about advertising on the boat. After brief discussion of guidelines, the City Manager stated they would be set out. Mayor Pro Tem Love moved that the Council grant the request subject to the guidelines. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Mayor Pro Tem Love, Councilmen Binder, Dryden, Handcox,
Lebermann, Mayor Butler
Noes: None
Absent: Councilman Friedman

CHANGE OF COUNCIL MEETING

Mayor Butler stated he had a request that the April 4th Council Meeting be moved to Oak Springs Library for a night meeting. After determining that zoning hearings had already been advertised for this date, the group requesting this change were advised to request to be placed on the agenda of April 4th.

CITIZEN COMMUNICATION

Mr. N. Joseph Swift scheduled to be heard to discuss training programs to be conducted by City Contractors and Sub-contractors, did not appear.

GAS RATE ORDINANCE

Consideration of amendments to the Gas Rate Ordinance was postponed.

REFUND CONTRACTS

Mayor Butler introduced the following ordinance:

AN ORDINANCE AUTHORIZING THE CITY MANAGER OR THE DEPUTY CITY MANAGER TO ENTER INTO CERTAIN REFUND CONTRACTS WITH RAFAR INVESTMENT COMPANY AND CLEAR CREEK PROPERTIES, INCORPORATED; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Mayor Pro Tem Love moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Dryden, Handcox, Lebermann, Mayor Butler, Mayor Pro Tem Love
Noes: Councilman Binder
Absent: Councilman Friedman

The Mayor announced that the ordinance had been finally passed.

Mayor Butler brought up the following ordinance for its first reading:

AN ORDINANCE AUTHORIZING THE CITY MANAGER OR THE DEPUTY CITY MANAGER TO ENTER INTO A CERTAIN REFUND CONTRACT WITH CITY NATIONAL BANK, TRUSTEE. (Research Plaza Subdivision).

The ordinance was read the first time, and Mayor Pro Tem Love moved the ordinance be passed to its second reading. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilmen Dryden, Handcox, Lebermann, Mayor Pro Tem Love
Noes: Councilman Binder
Abstain: Mayor Butler
Absent: Councilman Friedman

ZONING ORDINANCES

Mayor Butler introduced the following ordinance:

AN ORDINANCE ORDERING A CHANGE IN USE AND HEIGHT AND AREA AND CHANGING THE USE AND HEIGHT AND AREA MAPS ACCOMPANYING CHAPTER 45 OF THE AUSTIN CITY CODE OF 1967 AS FOLLOWS: LOTS 2, 3, 4 AND 5, ST. ELMO HEIGHTS, SECTION 1, LOCALLY KNOWN AS 400-430 INDUSTRIAL BOULEVARD AND 4201-4213 WILLOW SPRINGS ROAD, FROM INTERIM "A" RESIDENCE, INTERIM FIRST HEIGHT AND AREA DISTRICT TO "D" INDUSTRIAL, FIRST HEIGHT AND AREA DISTRICT; SAID PROPERTY BEING LOCATED IN AUSTIN, TRAVIS COUNTY, TEXAS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY. (Imperial American, Inc., C14-70-001)

Councilman Handcox moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilman Lebermann, carried by the following vote:

Ayes: Councilmen Dryden, Handcox, Lebermann, Mayor Butler, Mayor Pro Tem Love, Councilman Binder

Noes: None

Absent: Councilman Friedman

The Mayor announced that the ordinance had been finally passed.

Mayor Butler introduced the following ordinance:

AN ORDINANCE ORDERING A CHANGE IN USE AND HEIGHT AND AREA AND CHANGING THE USE AND HEIGHT AND AREA MAPS ACCOMPANYING CHAPTER 45 OF THE AUSTIN CITY CODE OF 1967 AS FOLLOWS: LOT 1, ANDERSON DEL GIUDICE, SECTION 1, LOCALLY KNOWN AS 2101 RUTLAND ROAD, FROM INTERIM "A" RESIDENCE, INTERIM FIRST HEIGHT AND AREA DISTRICT AND "A" RESIDENCE, FIRST HEIGHT AND AREA DISTRICT TO "D" INDUSTRIAL, FIRST HEIGHT AND AREA DISTRICT; SAID PROPERTY BEING LOCATED IN AUSTIN, TRAVIS COUNTY, TEXAS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY. (General Supply Co., Inc. C14-73-253)

Councilman Handcox moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilman Lebermann, carried by the following vote:

Ayes: Councilmen Dryden, Handcox, Lebermann, Mayor Butler, Mayor Pro Tem Love, Councilman Binder

Noes: None

Absent: Councilman Friedman

The Mayor announced that the ordinance had been finally passed.

GOLF FEE ORDINANCE

Reconsideration of the Golf Fee Ordinance was set aside for one week.

TRAFFIC SIGNAL REPORT - SOUTH 5TH AND OLTORF

Mr. Dan Davidson, City Manager, reported the results of the traffic study conducted at the intersection of South Fifth Street and Oltorf. The study recommends that island channelization and a pedestrian crossing be established at the intersection to increase pedestrian protection. The study also indicated that the installation of a traffic signal is not warranted at this time. This location will be closely monitored by the Urban Transportation Department to determine if any changes occur that would require additional controls and they would report back in 6 months. He listed several problems which would arise if a traffic signal is installed without adequate justification, as follows:

1. A traffic signal would increase congestion and decrease operating conditions in general by creating additional stops and delays.
2. The existing geometric layout of the intersection could compound accident problems with a traffic signal because of restricted sight distance that would require major reconstruction efforts to correct.
3. Installation of a traffic signal at this location would be unfair to other citizens at locations in the City that, although not warranting a traffic signal, are more critical than this location.

BRACKENRIDGE HOSPITAL POLICY

Brackenridge Hospital Policy on clinic cards was not brought up.

ADJOURNMENT

The Council adjourned at 8:30 p.m.

APPROVED



Mayor

ATTEST:



Acting City Clerk